



**OFFICE OF PUBLIC SCHOOL
CONSTRUCTION**

I n t e r a g e n c y S u p p o r t D i v i s i o n

1130 K Street, Suite 400 • Sacramento, California 95814 • (916) 445-3160

Date: January 21, 1999

Mass Mailer #99-01

To: All School District Representatives

Subject: **PROPOSITION 1A FUNDING OF LEASE-PURCHASE PROJECTS THAT
MEET GRANDFATHERING PROVISIONS**

The Office of Public School Construction (OPSC) has previously notified your District of the need to make decisions no later than January 31, 1999, regarding funding of the project under the Lease-Purchase Program (LPP) or the new School Facility Program (SFP).

The purpose of this correspondence is to provide guidance to districts on non-Phase C approved projects that have obtained an initial LPP approval and have Division of the State Architect (DSA) plan approval prior to November 4, 1998. To expedite funding processing of these projects, it is important for districts to declare their intent to remain in the LPP or transition to the SFP. Please complete the attached declaration and return to the OPSC postmarked by January 31, 1999.

Please refer to SFP Regulation Sections 1859.12 through 1859.15 for more information concerning transition of LPP projects to SFP projects or conversion of Priority Two LPP projects to Priority One projects. For those LPP projects that meet the provisions of these regulations, the following will occur without a formal processing declaration:

- Priority One New Construction Project: The project will automatically be funded under the LPP.
- Priority Two New Construction Project: The project shall be deemed withdrawn under the provisions of the LPP and the District must submit a new application under the provisions of the SFP if it wishes to secure future funding.
- Priority One Modernization Project: The project will receive funding under the LPP.
- Priority Two Modernization Project: The project shall be deemed withdrawn under the provisions of the LPP and the District must submit a new application under the provisions of the SFP if it wishes to secure future funding.

If the District indicates its desire to have a project funded as a LPP, the District will be required to share in 50 percent of the eligible project cost. Moreover, if the District wishes to have a project funded as SFP, the District's funding share is 50 percent of the project costs for a growth project and 20 percent for a modernization project.

If you have already notified the OPSC by letter with regard to your processing intent for projects of this type, please disregard this notification. If you have any further questions, please contact your Project Manager.

Sincerely,

TED W. DUTTON, Executive Officer
Office of Public School Construction